

**Illinois Department of Revenue
Regulations**

Title 86 Part 500 Section 500.200 Basis and Rate of the Motor Fuel Tax

TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE

PART 500
MOTOR FUEL TAX

SUBPART B: MOTOR FUEL TAX

Section 500.200 Basis and Rate of the Motor Fuel Tax

- a) *The Motor Fuel Tax is imposed "on the privilege of operating motor vehicles upon the public highways, including toll roads, and recreational-type watercraft upon the waters of this State".*
- 1) *Motor fuel used in such motor vehicles upon public highways and in such recreational watercraft on such waters is taxed according to the following rate schedule:*

<i>Tax Period</i>	<i>Rate</i>
<i>Until August 1, 1983</i>	<i>7½¢ per gallon</i>
<i>From August 1, 1983 through June 30, 1984</i>	<i>11¢ per gallon</i>
<i>From July 1, 1984 through June 30, 1985</i>	<i>12¢ per gallon</i>
<i>From July 1, 1985 through June 30, 1989</i>	<i>13¢ per gallon</i>
<i>From August 1, 1989 through December 31, 1989</i>	<i>16¢ per gallon</i>
<i>From January 1, 1990 and thereafter</i>	<i>19¢ per gallon</i>

- 2) *The tax on the privilege of operating motor vehicles which use diesel fuel shall be the rate according to subsection (a) plus an additional 2½ cents per gallon. This rate is as follows:*

<i>Tax Period</i>	<i>Rate</i>
<i>Until August 1, 1983</i>	<i>7½¢ per gallon</i>
<i>From August 1, 1983 through June 30, 1984</i>	<i>13½¢ per gallon</i>
<i>From July 1, 1984 through June 30, 1985</i>	<i>14½¢ per gallon</i>
<i>From July 1, 1985 through July 31, 1989</i>	<i>15½¢ per gallon</i>
<i>From August 1, 1989 through December 31, 1989</i>	<i>18½¢ per gallon</i>

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21½¢ per
gallon

From January 1, 1990 and thereafter

- b) *The Motor Fuel Use Tax is imposed "upon the use of motor fuel upon highways (including toll ways of this State) by commercial motor vehicles". The tax on such motor fuel shall be comprised of two parts:*
- 1) *A tax at the rate established in subsections (a)(1) and (a)(2); and*
 - 2) *A rate established by the Department as of January 1 of each year using the average "selling price", as defined in the Retailers' Occupation Tax Act, per gallon of motor fuel sold in this State during the previous 12 months and multiplying it by 6.25% to determine the cents per gallon rate. (Section 13a(2) of the Law). The Department may use data derived from independent surveys conducted or accumulated by third parties to determine the average selling price per gallon of motor fuel. Third parties include, but are not limited to, commercial entities that collect data (available by contract or at no cost) regarding the selling price of motor fuel sold in this State on a per gallon basis.*
- c) *Compressed natural gas is subject to tax at the rate established in subsection (a)(1). However, because compressed natural gas cannot be measured in gallons, it must be converted to gallons using a conversion factor. For purposes of calculating tax under the Motor Fuel Tax Law, a gallon of compressed natural gas means a quantity of compressed natural gas equal to 126.67 cubic feet of natural gas at 60 degrees Fahrenheit and one atmosphere of pressure. In the alternative, it means a quantity of compressed natural gas that weighs 5.66 pounds.*

(Source: Amended at 38 Ill. Reg. 18586, effective August 21, 2014)